

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE
WINE GRAPE INSPECTION ADVISORY COMMITTEE
Meeting Minutes
Modesto, California
March 25, 2004**

Members

Randall Lange, Chair
Pete Camarada
Douglas Cederquist
Marilyn Wolf
Bud Bradley
Chester Murphy
Jerry Fry, Jr.
Eric Shannon
Scott Storm
James Unti (Voting
Alternate Mbr)
Greg Coleman

Alternate Members

Stanton Lange
Jason Smith

CDFA
Gary Manning
Kathy Diaz-Cretu
Susan Shelton

Interested Parties

Karen Ross, C.A.W.G.
Molly Dewey, UC Davis
John de la Montanya, Fiscal
Managers, Inc.
Peggy Grubbs, FMI
Bonnie Eubanks, FMI

ITEM 1: CALL TO ORDER

Chairman Randy Lange welcomed the attendees. The meeting was called to order.

ITEM 2: ROLL CALL

Gary Manning of CDFA called the roll. A quorum was established.

ITEM 3: APPROVAL OF NOVEMBER 5, 2003 MINUTES

MOTION: Eric Shannon moved that the November 5, 2003 minutes be approved as submitted. Douglas Cederquist seconded. The motion passed unanimously.

ITEM 4: UPDATE OF THE MARKETING AGREEMENT

Randy Lange reviewed the steps discussed in the November 5, 2003 meeting that are necessary in putting the proposed marketing agreement into place. A question was asked if a statewide vintner and grower vote would be necessary. Randy stated that as long as there are enough statewide/regional organizations that support the agreement, a vote would not be necessary.

According to the timeline, information should currently be in the process of being gathered to send to the affected parties. Next month vintner and grower lists need to be provided to the Marketing Branch for verification on who would be part of the agreement. The hearing notice would then be distributed in September for a hearing date in mid-October.

The goal is for the Marketing Agreement to be in effect on May 1, 2005, to coincide with the Wine Grape Inspection Program fiscal year.

There is a need to verify that the volume of grapes inspected would justify the need for the marketing agreement. A discussion ensued on how this data would be gathered. Bud Bradley suggested that we look on table two of the Grape Crush Report to get the total tons of grapes crushed in the State. Due to Pierce's disease, all the wineries give an accounting for this report. To get the tonnage that they each crushed, it was suggested that the certificates of inspection be pulled on the wineries that will be signatories. Kathy Diaz-Cretu, from the Marketing Branch, stated this should be a sufficient way to report the amount represented by the signatories.

It was suggested that the Marketing Agreement subcommittee come up with a position paper to send to the wineries and grower associations. The paper should state what the marketing agreement would be doing, why it is being done, and what it would accomplish. They will put together a fact sheet and send it out to the wineries and growers. Karen Ross agreed to work with the subcommittee to prepare a letter for the industry.

MOTION: Bud Bradley moved to give authority to the subcommittee to write, finalize, and send the information regarding the marketing agreement to wineries and growers. Jerry Fry seconded. The motion passed unanimously.

ITEM 5: 2004/05 RESEARCH PROPOSAL

The Research Subcommittee reported on their recommendation to fund the UC Davis rot research for the next harvest season. A research proposal was handed out that included a requested budget amount of \$157,143. Included in the research proposal is a request to purchase five scanners. Dr. Dewey explained that three scanners would be dedicated to stations doing rot research and another one or two scanners would be dedicated to wineries that have high volume output.

A discussion ensued regarding whether another year of hand inspections would be necessary for comparison purposes. Dr. Dewey stated that it would be ideal. Bonnie Eubanks stated that they would complete as many hand inspections as would be possible with the current staff.

ITEM 6: WINE GRAPE FUND CONDITION AND EXPENDITURES

Gary Manning handed out a copy of the Wine Grape Inspection Committee Operating Statement as of February 18, 2004. It is estimated that there will be \$314,877 in the reserve account at the beginning of the 2004/05 fiscal year; this is not enough to fund the program. Cost increases in workers' compensation, overtime, and nighttime differential have affected the budget. Tonnage also came in below what was initially projected.

Gary handed out a table outlining proposed fees of \$.68, \$.70, \$.72, and \$.74. Since \$650,000 is needed in reserves to begin each year it was proposed to increase tonnage fees to \$.72 per ton and increase the hourly rate to \$40.00 per hour and \$60.00 for overtime when a winery exceeds eight hours per day.

ITEM 7: WINE GRAPE FEE AND BUDGET PROPOSAL

MOTION: Bud Bradley moved to accept the budget and fee as recommended by the Wine Grape Budget Subcommittee. Eric Shannon seconded. The motion passed unanimously.

ITEM 8: NOMINATION OF COMMITTEE CHAIRPERSON (VINTNER) AND VICE CHAIRPERSON (GROWER)

MOTION: Jerry Fry moved to appoint Pete Camarda as Committee Chair. Greg Coleman seconded. The motion passed unanimously.

MOTION: Eric Shannon moved to appoint Chester Murphy as Committee Vice-Chair. Bud Bradley seconded. The motion passed unanimously.

ITEM 9: DATE FOR NEXT MEETING

The next Wine Grape Inspection Advisory Committee meeting will be scheduled for December 1, 2004.

ITEM 10: OTHER BUSINESS

No further business was discussed.

ITEM 11: ADJOURNMENT

MOTION: Eric Shannon moved to adjourn. Douglas Cederquist seconded. The motion passed unanimously.

Respectfully submitted by:

Gary Manning, Program Supervisor
Wine Grape Inspection Program
Inspection and Compliance Branch
Inspection Services

Date